

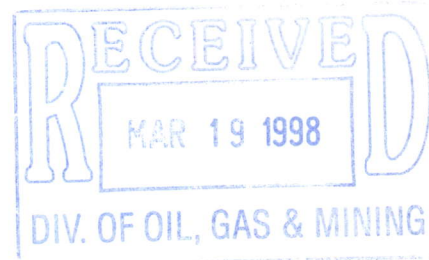


INTERNATIONAL
URANIUM (USA)
CORPORATION

M/037/012

H.C. 64 • Box 153 • 2555 No. Highway 89A • Fredonia, AZ 86022 • 520 643 7321 (phone) • 520 643 7328 (fax)

March 16, 1998



Mr. D. Wayne Hedberg
Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Reactivation - Pandora Mine - Permit M/037/012

Dear Mr. Hedberg:

This letter follows the March 13, 1998, telephonic communication with Utah Division of Oil Gas and Mining (UDOGM) representative, Mr. Anthony A. Gallegos, Senior Reclamation Specialist, advising that International Uranium (USA) Corporation will reactivate the Pandora Mine during the second quarter of 1998.

The Pandora project, located approximately three miles east of La Sal, San Juan County, Utah, will operate within parameters of the Mine Plan of Operation approved by the UDOGM Permit Number M/037/012.

Should additional information or discussion concerning this matter be required, please contact me at telephone number: (520) 643-7321 or (970) 677-2726 or via fax number: (520) 643-7328 or (970) 677-2747.

Very truly yours,

Roger B. Smith
General Manager of Mining Operations

RBS/ksc

cc: Mr. Anthony A. Gallegos
Mr. Harold R. Roberts